

Objection Deadline: April 2, 2013 at 4:00 p.m. (Prevailing Eastern Time)

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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

-----)	
In re:)	Case No. 12-12020 (MG)
)	
RESIDENTIAL CAPITAL, LLC, <u>et al.</u> ,)	Chapter 11
)	
Debtors.)	Jointly Administered
-----)	

**NOTICE OF FILING OF LEWIS KRUGER'S FIRST MONTHLY FEE REPORT
OF COMPENSATION FOR PROFESSIONAL SERVICES RENDERED AND
REIMBURSEMENT OF EXPENSES INCURRED FOR THE PERIOD
FROM FEBRUARY 10, 2013 THROUGH FEBRUARY 28, 2013**

PLEASE TAKE NOTICE that pursuant to the *Order Granting Debtors' Motion Pursuant to Sections 105(a) and 363(b) of the Bankruptcy Code for an Order Authorizing the Debtors to Appoint Lewis Kruger as Chief Restructuring Officer* [Docket No. 3103] entered by the Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court"), Lewis Kruger is required to file with the Bankruptcy Court reports, on at least a quarterly basis, of compensation earned and expenses incurred in Mr. Kruger's capacity as Chief Restructuring Officer in the above-captioned chapter 11 cases of Residential Capital, LLC and its affiliated debtors (collectively, the "Debtors"). Attached hereto as

Exhibit 1 is Mr. Kruger's first monthly fee report for the period from February 10, 2013 through February 28, 2013 (the "Monthly Fee Report").

PLEASE TAKE FURTHER NOTICE that objections, if any, to the Monthly Fee Report must be made in writing, conform to the Federal Rules of Bankruptcy Procedure, the Local Bankruptcy Rules for the Southern District of New York, and the Notice, Case Management, and Administrative Procedures approved by the Bankruptcy Court [Docket No. 141], be filed electronically by registered users of the Bankruptcy Court's electronic case filing system, and be served, so as to be received no later than **April 2, 2013 at 4:00 p.m. (Prevailing Eastern Time)**, upon: (a) counsel for the Debtors, Morrison & Foerster LLP, 1290 Avenue of the Americas, New York, NY 10104 (Attention: Gary S. Lee, Lorenzo Marinuzzi, Jennifer Marines and Meryl L. Rothchild); (b) the Office of the United States Trustee for the Southern District of New York, 33 Whitehall Street, 21st Floor, New York, NY 10004 (Attention: Tracy Hope Davis, Linda A. Riffkin, and Brian S. Masumoto); (c) the Office of the United States Attorney General, U.S. Department of Justice, 950 Pennsylvania Avenue NW, Washington, DC 20530-0001 (Attention: US Attorney General, Eric H. Holder, Jr.); (d) Office of the New York State Attorney General, The Capitol, Albany, NY 12224-0341 (Attention: Nancy Lord, Esq. and Enid N. Stuart, Esq.); (e) Office of the U.S. Attorney for the Southern District of New York, One St. Andrews Plaza, New York, NY 10007 (Attention: Joseph N. Cordaro, Esq.); (f) counsel for Ally Financial Inc., Kirkland & Ellis LLP, 153 East 53rd Street, New York, NY 10022 (Attention: Richard M. Cieri); (g) counsel to Barclays Bank PLC, as administrative agent for the DIP lenders, Skadden, Arps, Slate, Meagher & Flom LLP, Four Times Square, New York, NY 10036 (Attention: Ken Ziman & Jonathan H. Hofer);

(h) counsel for the committee of unsecured creditors, Kramer Levin Naftalis & Frankel LLP, 1177 Avenue of the Americas, New York, NY 10036 (Attention: Kenneth Eckstein & Greg Horowitz); (i) counsel for Ocwen Loan Servicing, LLC, Clifford Chance US LLP, 31 West 52nd Street, New York, NY 10019 (Attention: Jennifer C. DeMarco and Adam Lesman); (j) counsel for Berkshire Hathaway Inc., Munger, Tolles & Olson LLP, 355 South Grand Avenue, Los Angeles, CA 90071 (Attention: Thomas Walper and Seth Goldman); (k) Internal Revenue Service, P.O. Box 7346, Philadelphia, PA 19101-7346 (if by overnight mail, to 2970 Market Street, Mail Stop 5-Q30.133, Philadelphia, PA 19104-5016); and (l) Securities and Exchange Commission, New York Regional Office, 3 World Financial Center, Suite 400, New York, NY 10281-1022 (Attention: George S. Canellos, Regional Director).

PLEASE TAKE FURTHER NOTICE that if a timely objection is filed and served, the Debtors will schedule a hearing with the Bankruptcy Court with respect to the objection to such fees and/or expenses stated in the Monthly Fee Report.

Dated: March 13, 2013
New York, New York

Respectfully submitted,

/s/ Gary S. Lee

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*Counsel for the Debtors and
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Exhibit 1

RESCAP

March 12, 2013

Re: Mr. Kruger (Monthly Fee Report)

In accordance with the *Order Granting Debtors' Motion Pursuant to Sections 105(a) and 363(b) of the Bankruptcy Code for an Order Authorizing the Debtors to Appoint Lewis Kruger as Chief Restructuring Officer* [Docket No. 3103], annexed herewith is the billing report of Lewis Kruger covering the period from February 10, 2013 to February 28, 2013 (the "Monthly Fee Report"). As reflected in the Monthly Fee Report, Mr. Kruger seeks payment of \$67,572.50 for professional services rendered, and \$196.68 for expense reimbursements for this period.

The professional services rendered by Mr. Kruger and so covered by this Monthly Fee Report include:

- Provide strategic leadership to the Debtors' executive management team relating to a broad variety of restructuring issues and strategies;
- Serve as the primary focal point for communications and negotiations with the Debtors, the Creditors' Committee, and other constituencies and their respective advisors, where negotiations addressed, among other issues, derivative standing for the Creditors' Committee, and the PSA between the Debtors and AFI parties;
- Analyze potential plan structures and various distribution scenarios, in conjunction with the Debtors' other retained professionals;
- Prepare a detailed 60-day action plan to assist the Debtors and other constituencies in plan mediation efforts and plan formation;
- Engage in discussions with Judge Peck and key constituents to discuss progression of plan mediation in consideration of interests of the Creditors' Committee, monoline claims, and bondholder claims; and
- Analyze issues and discuss strategy in connection with RMBS claims and settlement litigation.

Attached please find: (i) a summary of hours devoted and amounts billed to certain project categories of professional services rendered, annexed hereto as Exhibit A; (ii) a description of professional services and/or tasks comprising each project category to which Mr. Kruger expended time and for which he seeks compensation, annexed hereto as Exhibit B; and (iii) a detailed list of expenses incurred in connection with these chapter 11 cases for which Mr. Kruger seeks reimbursement, annexed hereto as Exhibit C. Detailed time entries are available for review upon request.

Very truly yours,



Tammy Hamzeshpour
Chief Business Officer

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ny-1081135

EXHIBIT A

**Monthly Fee Report
February 10, 2013 – February 28, 2013**

Project Category	Hours	Rate	Value
1 - Plan Mediation	9.0	\$ 895.00	\$ 8,055.00
2 - Plan - General	16.5	\$ 895.00	\$ 14,767.50
3 - RMBS Settlement	6.5	\$ 895.00	\$ 5,817.50
4 - Claims Management	22.0	\$ 895.00	\$ 19,690.00
5 - Hearings	4.0	\$ 895.00	\$ 3,580.00
6 - Estate Management	17.5	\$ 895.00	\$ 15,662.50
TOTAL	75.5		\$ 67,572.50

EXHIBIT B

Project Category Descriptions

Project Category	Services Provided / Task Description
1 - Plan Mediation	Engaging in plan mediation-related activities, including, but not limited to, communicating and meeting with the Mediator and/or with mediating parties and their respective advisors, and other parties in interest.
2 - Plan - General	Developing the Debtors' plan of reorganization, formulating and negotiating such plan with the Debtors and their creditors and key stakeholders, including the Creditors' Committee, and assisting such parties in working towards a consensual chapter 11 plan.
3 - RMBS Settlement	Analyzing issues, discussing strategy, and negotiating with the RMBS Trustees, Kathy Patrick, and other parties in interest in connection with RMBS claims and settlement litigation.
4 - Claims Management	Directing the Debtors' respective management teams and professionals in connection with the Debtors' efforts to negotiate and settle claims against the Debtors, and propose a schedule and process for the litigation and/or settlement of disputed claims, including, but not limited to, those held by the monolines, junior secured bonds, the RMBS Trustees, and securities claimants.
5 - Hearings	Preparing for and attending hearings.
6 - Estate Management	Organizing and managing the Debtors' resources to effectively and efficiently plan and manage the chapter 11 process and assist in the estimation and accumulation of claims.

EXHIBIT C

Expense Detail

TRANSPORTATION		
Date	Amount	Business Purpose
2/12/2013	\$ 7.50	Cab to MoFo office from home.
2/12/2013	\$ 16.00	Cab from MoFo office to home.
2/20/2013	\$ 12.50	Cab to MoFo office from home.
2/22/2013	\$ 14.00	Cab to MoFo office from home.
2/25/2013	\$ 12.50	Cab to MoFo office from home.
2/26/2013	\$ 15.00	Cab from MoFo office to home.
2/27/2013	\$ 10.50	Cab from MoFo office to home.
2/28/2013	\$ 11.50	Cab from MoFo office to home.
TOTAL:	\$ 99.50	
MEALS		
Date	Amount	Business Purpose
2/20/2013	\$ 97.18	Working lunch with Judge Peck.
TOTAL:	\$ 97.18	
COPIES; TELEPHONE CHARGES		
Date	Amount	Business Purpose
N/A	N/A	N/A
MISCELLANEOUS		
Date	Amount	Business Purpose
N/A	N/A	N/A
FEBRUARY EXPENSE TOTAL:	\$ 196.68	